HIPAA

Health Insurance Portability and Accountability Act of 1996 -- Transactions & Code Sets Update

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T302 and T303

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Agenda
HIPAA Transactions and Code Sets

- Overview of current status
- MHS information systems effected
- Business and system impacts
- Who is responsible for what
- What you can do now

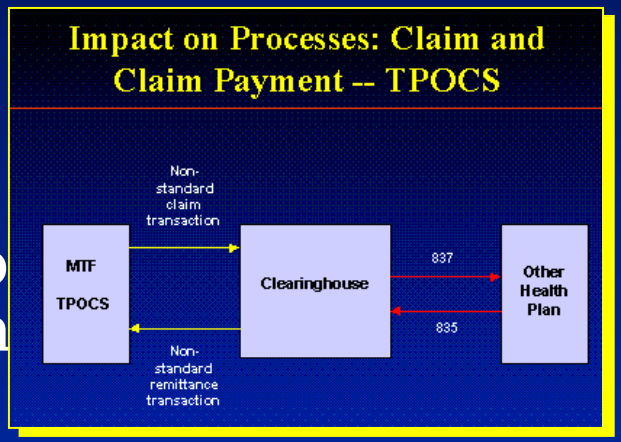
Overview
Transaction & Code Sets
Final Rule

- **The law required the Secretary of Health and Human Services (HHS) to adopt standards for financial and administrative transactions, to enable health information to be exchanged electronically.**

Final Rule Published
August 17, 2000

Overview
HIPAA Covered Entities

- **Providers**
  - **(e.g., MTFs, Network provi pharmacies, dental clinics)**
- **Health Plans**
  - **(e.g., TRICARE United Concordia)**
- **Clearinghouses**
  - **(i.e., services used to co between non-standard a standard formats)**



Overview
HIPAA T&CS Compliance Dates

- **Target Compliance Date ….. Oct 16, 2002**
- **Compliance Plan to HHS …. Oct 16, 2002***
- **Testing Date …….. Apr 16, 2003***
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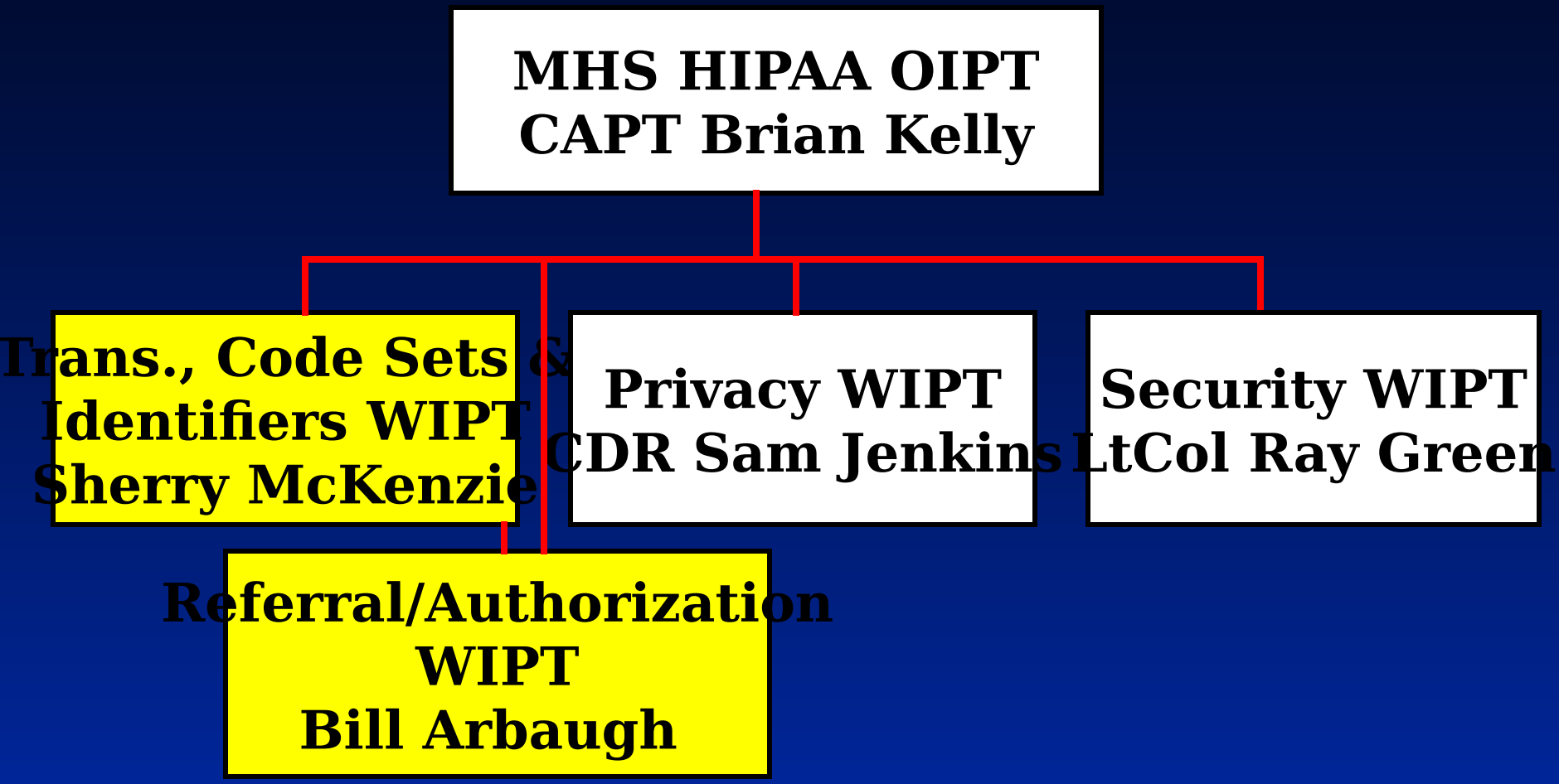
* For those areas not compliant by Oct 16, 2002.

** H.R. 3323 signed by President Bush 27 Dec 2001
modified the compliance date, provided a compliance

Overview
MHS HIPAA Coordination



Overview
Approach to Meeting Deadlines

- Complete map/gap analysis for effected systems – resolve issues
- Complete system changes & have ready for testing not later than April 2003
- Submit a compliance plan to HHS for the extension – one MHS plan!
- Have full compliance prior to Oct 16, 2003

Overview
HIPAA Standard Transactions

1. Claims ..... X12N 837 & NCPDP
2. Coordination of Benefits .. X12N 837 & NCPDP
3. Claim Payment/Advice X12N 835
4. Claim Status X12N 276/277
5. Eligibility ..... X12N 270/271 & NCPDP
6. Enrollment X12N 834
7. Referral/Authorization ... . X12N 278 & NCPDP
8. Premium Payments X12N 820

Effect on MHS Systems?

Transaction	Purchased Care Systems	DEERS	Direct Care Systems &
Claims	Yes		Yes
Coord. of Benefits	Yes		Yes
Claim Payment/Advice	Yes		Yes
Claim Status	Yes		Yes
Eligibility	Yes	Yes	
Enrollment	Yes	Yes	

Effect on MHS Systems?

Transaction	Direct Care Systems & DEERS	Purchased Care Systems
Referral/Authorization	Yes, *in interface to purchased care system*	Yes
Premium Payments	No	No, *unless payroll deduction is implemented*

MHS Systems Directly Effected

- **Systems sending/receiving HIPAA transactions**
  - **TPOCS / Future UBO system**
  - **CPS II**
  - **DEERS (including the DOES application)**
  - **CHCS (including ADM) / CHCS II**
  - **PDTS**
  - **MCSC and other purchased care contractor systems**

MTF Impact
Claims Submission Process

- New version of TPOCS
- New file sent from TPOCS to the clearinghouse
- Possibly new version of CHCS / CHCS II to collect additional data needed for claim
- More information available on claim payment advice/status
- Standard adjustment reason codes and other standard codes
- **Opportunity** to reduce initial claims rejections and thus increase collections

MCSC Impact
Claims Payment Process

- Changes to claims processors' systems
- HCPCS Level III codes will no longer be accepted
- Standard adjustment reason and denial reason codes will be used
- No changes to HCSRs
- TEDs, when implemented, will use standard codes
- **Opportunity** to increase number of claims received and processed electronically and thus reduce costs

MMSO Impact
Claims Payment Process

- Changes to CPS II system and current manual processes
  - Must accept electronic claim for dental, professional, and institutional
  - Must send electronic remittance advice
  - Must accept/send claim status request/response
- Standard code sets will be used
- Opportunity to increase the number of claims received and processed electronically and thus reduce costs

MTF Impact
Eligibility Process

- New version of CHCS
- Eligibility inquiry will be to New DEERS
- Will be some changes in the data returned from DEERS
  - Some new data elements
  - Some data may not be available
- **Opportunity** to move off Legacy DEERS and use a standard interface

MCSC Impact Eligibility Process

- MCSCs will accept/send standard eligibility inquiry/response from/to providers
- MCSCs and sub-contractors will continue to use DEERS proprietary eligibility inquiry and response for now
- DEERS will need to provide compliant capability for other health plans and providers to use
  - New Web GIQD application
- **Opportunity** to use HIPAA standard for the next generation of contracts with New DEERS migration

MCSC and MTF Impact Enrollment Process

- DOES will be updated to a HIPAA data compliant version and used by the MCSCs
- No change to enrollment data push from DEERS to CHCS or MCSCs
- The capability for DEERS to accept the

  X12 834 is being evaluated
- Opportunity to use the HIPAA standard with the next generation of contracts is being evaluated

MTF Impact
Referral Process

- **Where is the standard required?**
  - **Referrals within the MTFs are considered "workflow management" and are not subject to the standard**
  - **Referrals from MTF providers to the civilian network are subject to the standard**
- **Requirements are being developed for a web-based referral application which could send referrals from MTFs to MCSCs using the standard**
- **Opportunity to standardized referral & authorization process across MHS using the web**

MCSC Impact
Referral Process

- MCSCs are being required to accept/send standard referral requests/authorizations from/to providers (including MTFs)
- If MTFs do not “send” the request electronically, then the current process can continue as is
- **Opportunity** to standardized referral & authorization process across MHS using the

  web

MTF Impact
Pharmacy Process

- New version of CHCS
- Eligibility/authorization inquiry will be to PDTS using NCPDP 5.1
- Pilot process underway to develop standard electronic pharmacy third party billing capability
  - If successful, may be implemented at all MTFs
- **Opportunity** to use a standard interface, improve pharmacy profile, and improve third party billing

MCSC Impact Pharmacy Process

- MCSC PBMs are being required to accept/send pharmacy eligibility/authorizations in standard format from/to network pharmacies
- Eligibility/authorization inquiry will be from PBMs to PDTS using NCPDP 5.1
- **Opportunity** to use a standard interface, improve pharmacy profile, receive more claims electronically

Compliance Responsibilities

- **TMA will manage --**
  - **system and policy changes**
  - **contract modifications**
- **MTFs need to --**
  - **implement system and policy changes**
  - **develop/implement local procedure changes**
- **Lead Agents need to –**
  - **assist TMA with implementation of transactions between MTFs and MCSCs**
- **Services need to --**
  - **contact TMA if any Service unique systems perform any of the HIPAA business transactions**

Transaction and Code Sets Points of Contact

- **TMA**
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HIPAA Web Resources

- TRICARE HIPAA
  - http://tricare.osd.mil/hipaa/
- Administrative Simplification
  - http://aspe.hhs.gov/admnsimp
- Washington Publishing Company
  - http://www.wpc-edi.com/Default_40.asp
- Office of Civil Rights
  - http://www.hhs.gov/ocr/hipaa
- Government Printing Office
  - http://www.access.gpo.gov